

**BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION
OF THE STATE OF CALIFORNIA**

**APPLICATION FOR CERTIFICATION FOR THE
VERNON POWER PLANT PROJECT
BY THE CITY OF VERNON**

DOCKET NO. 06-AFC-4
(AFC ACCEPTED 09/14/06)

REVISED SCHEDULING ORDER

On November 13, 2006, this Committee issued a Scheduling Order, which identified a timeline consistent with the twelve-month review process established by Public Resources Code section 25540.6.

The timeline requires the Applicant to meet data response deadlines in order to complete certification in twelve months. If data responses are delayed, the timeline is converted to a performance approach resulting in a commensurate slip of the twelve-month schedule.

On April 27, 2007, the Commission staff filed its Status Report #3, following a public data response workshop on April 18, 2007. The Status Report identifies several unresolved issues that have delayed the schedule. Unresolved issues include Air Quality, Public Health, Waste Management, Traffic and Transportation, Visual Resources, and Transmission System Engineering. Staff's Status Report also notes that Applicant's responses to the initial data requests from Intervenor Communities for a Better Environment (CBE) may generate additional requests for information necessary to complete the analysis.

According to Staff, the major delay affecting the schedule is due to Environmental Justice concerns addressed in the Air District's Rule 1309.1, which describes the allocation of Priority Reserve emission reduction credits to proposed power plants in Environmental Justice Areas (EJAs) such as the City of Vernon and surrounding communities. The Air District's proposed amendments to Rule 1309.1 would limit the size of power plants eligible for Priority Reserve credits to 635 MW in EJAs. The Air District's Governing Board will consider the proposed amendments to Rule 1309.1 on July 13, 2007. Until the Governing Board issues its decision on the proposed amendments, the District cannot prepare a Preliminary Determination of Compliance (PDOC) for the Project.

The Applicant's Status Report #4, dated April 23, 2007, confirms that the PDOC will not be filed until after the Governing Board's July 13, 2007, meeting. The Applicant maintains, however, that it does not intend to reduce the size of its 943 MW Project at this time since the proposed amendments to Rule 1309.1 are still pending.

On April 24, 2007, Staff submitted a third set of data requests to the Applicant concerning transmission system engineering and waste management. Applicant's responses are due at the end of May.

Regarding waste management, the Phase II Environmental Site Assessment indicates that site remediation is necessary to treat contaminated soils and groundwater at the Project site. The Department of Toxic Substances Control requires approval and implementation of a Remediation Action Plan, which could further delay the schedule.

It is therefore Ordered that:

As a result of the Applicant's existing and anticipated delays in meeting schedule deadlines, the schedule shall be revised according to information provided in the Status Reports and it shall be converted to a performance model. Staff's review shall be contingent upon Applicant's compliance with the milestones identified in the timeline. The REVISED Committee Schedule is attached and incorporated herein.

Dated: May 2, 2007, at Sacramento, California.

Original signed by:
JACKALYNE PFANNENSTIEL
Chair and Presiding Member
Vernon AFC Committee

Original Signed by:
JAMES D. BOYD
Vice Chair and Associate Member
Vernon AFC Committee

REVISED COMMITTEE SCHEDULE¹
FOR THE
VERNON POWER PLANT PROJECT

NOTE: This schedule is based on a performance model by which any delays in the Applicant's submittal of necessary information shall result in a commensurate slip of the schedule timeline.

<i>DATE</i>	<i>EVENT</i>
24-Apr-07	Data Requests Set 3 issued by Staff
Late May-07	Applicant's Data Responses to Set 3 Due
Early June-07	Data Response Workshop, if necessary
15-June-07	Status Reports (#5) due to Committee
18-July-07	Status Reports (#6) due to Committee
Mid-August 07	Local, state, & federal agency draft determinations due (including Preliminary Determination of Compliance from SCAQMD)
22-Aug-07	Status Reports (#7) due to Committee
Mid-Sep-07	Preliminary Staff Assessment (PSA) filed
Late-Sep-07	PSA Workshop(s)
10-Oct-07	Status Reports (#8) due to Committee
Mid-Oct-07	Local, state, & federal agency final determinations due (including Final Determination of Compliance from SCAQMD)
Mid-Nov-07	Final Staff Assessment filed
Pending ²	Prehearing Conference
Pending ²	Evidentiary hearings
Pending ²	Presiding Member's Proposed Decision (PMPD)
Pending ²	Committee Conference on PMPD
Pending ²	Energy Commission Hearing--Final Decision

¹ Where it would be speculative to establish specific dates, deadlines are targeted within 10-day increments: early in the month (days 1-10), middle (days 11-20), and late (days 21-31).

² To be scheduled by the Committee.